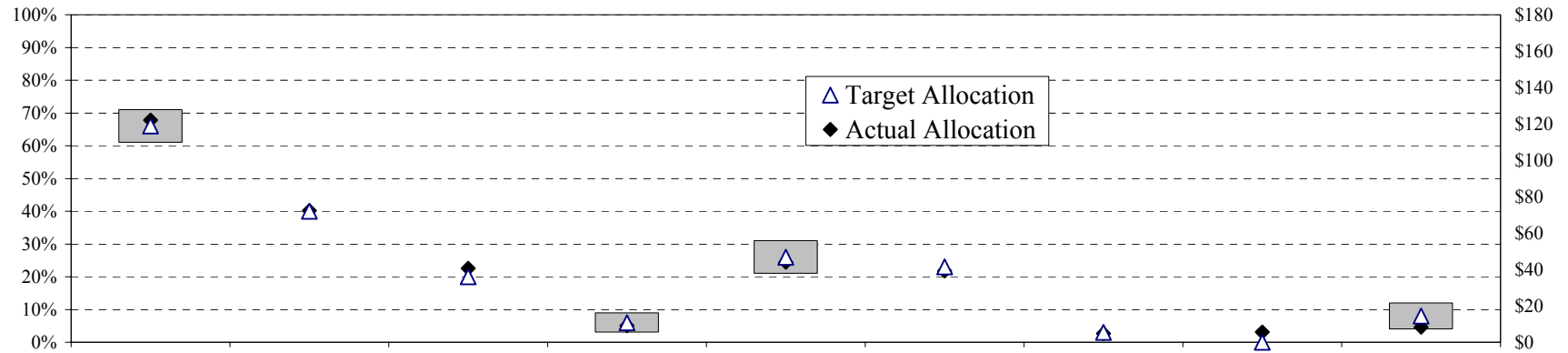


CaIPERS

Asset Allocation as of December 31, 2005

Total Fund Market Value: **\$200,879,738,550**



	Total Equity	Domestic Equity	Non-U.S. Equity	Private Equity	Global Fixed	Domestic Fixed	Non-U.S. Fixed	Cash ²	Real Estate	Total Fund
Target Range	61-71%	N/A	N/A	3-9%	21-31%	N/A	N/A	N/A	4-12%	N/A
Strategic %	66.0%	40.0%	20.0%	6.0%	26.0%	23.0%	3.0%	0.0%	8.0%	N/A
Actual %	67.8%	40.2%	22.6%	5.0%	24.5%	21.8%	2.7%	3.1%	4.6%	N/A
Variance %	1.8%	0.2%	2.6%	(1.0%)	(1.5%)	(1.2%)	(0.3%)	3.1%	(3.4%)	N/A
Strategic \$ ³	\$132.6	\$80.4	\$40.2	\$12.1	\$52.2	\$46.2	\$6.0	\$0.0	\$16.1	N/A
Actual \$ ^{3,4}	\$136.2	\$80.7	\$45.3	\$10.1	\$49.2	\$43.8	\$5.4	\$6.3	\$9.3	N/A
Variance \$ ³	\$3.6	\$0.4	\$5.2	(\$1.9)	(\$3.0)	(\$2.4)	(\$0.6)	\$6.3	(\$6.8)	N/A
% Passive	57.9%	81.3%	29.3%	0.0%	0.0%	0.0%	0.0%	0.0%	4.7%	39.5%
% Active	42.1%	18.7%	70.7%	100.0%	100.0%	100.0%	100.0%	100.0%	95.3%	60.5%
% Internal ¹	52.2%	81.3%	12.0%	0.0%	88.5%	99.3%	0.0%	47.1%	4.7%	58.7%
% External ¹	47.8%	18.7%	88.0%	100.0%	11.5%	0.7%	100.0%	52.9%	95.3%	41.3%

MDP Venture accounts included in MDP's primary asset class. MDP Fixed and Enhanced Index Equity roll to External Domestic Equity.

¹ For cash percentage only, average over previous 6 months.

² Cash includes SMIF at STO.

³ (\$ Billion)

⁴ Based upon Trade Date Accounting as recommended by CFA Institute GIPS Standards.

Private Equity Asset Allocation as of 12/31/2005			
Funded	\$(in Billions)	% Allocation	Target Range
Current Market Value	\$10.10	5.0%	
Unfunded Commitment	\$10.20	5.1%	
Current Market Value plus Unfunded Commitment	\$20.30	10.1%	3-9%

CalPERS Total Fund Top 20 Company Exposures

Based on Total Market Values as of 12/31/2005

Company Name	Equity Exposure				Total Equity Market Value	Fixed Income Exposure				Total FI Market Value	Real Estate	TOTAL Market Value	% of Total Fund ⁽³⁾
	Internally Managed Active	Internally Managed Passive	Externally Managed Active	Externally Managed Passive		Internal	External	Sec. Lending ⁽²⁾	Exposure ⁽¹⁾				
GENERAL ELECTRIC	237,988,694	1,383,048,465	198,056,579		1,819,093,738	48,908,545	50,883,985	897,422,648	997,215,178		2,816,308,916	0.96%	
EXXON MOBIL CORP	203,020,736	1,346,552,176	230,823,987		1,780,396,899				0		1,780,396,899	0.89%	
MICROSOFT CORP	224,137,586	1,057,728,275	181,802,253		1,463,668,114				0		1,463,668,114	0.73%	
CITIGROUP	169,448,416	937,157,977	215,835,768		1,322,442,161	80,733,996	27,351,734		108,085,730		1,430,527,891	0.72%	
WAL MART STORES INC	139,234,446	745,889,040	56,682,972		941,806,458	113,413,265	4,216,782		117,630,047		1,059,436,505	0.53%	
PROCTER + GAMBLE CO	138,789,468	765,567,473	82,241,634		986,598,575	4,948,171			4,948,171		991,546,746	0.50%	
BANK OF AMERICA	56,796,482	696,878,845	141,554,234		895,229,561	53,453,181	14,437,573		67,890,754		963,120,315	0.48%	
JOHNSON + JOHNSON	122,254,218	660,571,120	123,329,828		906,155,166				0		906,155,166	0.45%	
PFIZER INC	115,795,064	652,258,068	125,075,561		893,128,693	5,652,320			5,652,320		898,781,013	0.45%	
HSBC HOLDINGS	0	205,798,613	112,344,863	199,978,976	518,122,452	152,811,361	11,203,023	202,503,930	366,518,314		884,640,766	0.34%	
INTEL CORP	148,357,023	596,124,672	115,562,703		860,044,398		0		0		860,044,398	0.43%	
AMERICAN INTL GROUP INC	88,856,748	656,051,919	65,235,999		810,144,666	9,271,173	4,514,255		13,785,428		823,930,094	0.41%	
JPMORGAN CHASE & CO	81,832,405	530,030,470	80,141,651		692,004,526	13,566,349	5,383,558	100,044,550	118,994,457	8,828,590	819,827,573	0.36%	
CHEVRONTXACO CORP	106,373,696	482,476,876	100,529,395		689,379,967	120,402,029			120,402,029		809,781,996	0.40%	
BERKSHIRE HATHAWAY	108,756,032	484,915,407	20,881,020		614,552,459			150,013,500	150,013,500		764,565,959	0.31%	
VERIZON	50,229,166	306,010,164	56,720,448		412,959,778	271,284,063	18,255,585		289,539,648		702,499,426	0.35%	
INTERNATIONAL BUSINESS I	111,865,158	521,698,740	47,158,880		680,722,778	8,479,084	3,382,360		11,861,444		692,584,222	0.35%	
CIT GROUP INC. (THE)	4,522,413	37,851,180	16,815,037		59,188,630	28,437,774	4,419,846	545,490,403	578,348,023		637,536,653	0.05%	
PRUDENTIAL FINL INC	236,345,148	149,593,041	242,913,681		628,851,870				0		628,851,870	0.31%	
ROYAL DUTCH SHELL	0	237,611,055	150,712,998	231,208,037	619,532,090				0		619,532,090	0.31%	

(1) Real Estate exposure data only includes the 20 companies with the highest annual lease revenues for each core partnership, excludes properties in escrow. The market value exposures are calculated based only on two years of expected lease revenues.

(2) Does not include Repos

(3) Excludes securities lending exposure

TARGET PERCENTAGE COMPARISON ASSET ALLOCATION¹ As of December 31, 2005

(A) <u>Asset Class</u>	(B) <u>Market Value</u> (\$ Billion)	(C) <u>Current</u> <u>Allocation</u>	(D) <u>Target</u>	(E) <u>Macro</u> <u>Ranges</u>	(F) <u>Difference</u> <u>(C-D)</u>
Total Cash Equivalents	6.3	3.1 %	0.0 %		3.1 %
Total AIM: Direct/Partnership	10.1	5.0	6.0	3-9 %	-1.0
Total Global Fixed Income	49.2	24.5	26.0	21-31 %	-1.5
Equities					
Domestic ²	80.7	40.2	40.0		0.2
International	<u>45.3</u>	<u>22.6</u>	<u>20.0</u>		<u>2.6</u>
Total Equities	126.1	62.8	60.0	61-71 %	2.8
Total Real Estate	9.3	4.6	8.0	4-12 %	-3.4
Total Equities & Real Estate	<u>135.3</u>	<u>67.4</u>	<u>68.0</u>		-0.6
Total Fund	<u><u>200.9</u></u>	<u><u>100.0 %</u></u>	<u><u>100.0 %</u></u>		

¹ As allocated to managers.

² Included is MDP Investment: LM Capital Investment: Total Market Value=\$180.3M.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

TARGET DOLLAR COMPARISON
ASSET ALLOCATION
As of December 31, 2005

(A) <u>Asset Class</u>	(B) Current <u>Allocation</u>	(C) <u>Market Value</u> (\$ Billion)	(D) <u>New Policy</u> ¹ (\$ Billion)	(E) Difference <u>(D-C)</u> (\$ Billion)
Total Cash Equivalents	3.1 %	6.3	0.0	-6.3
Total AIM: Direct/Partnership	5.0	10.1	12.1	1.9
Total Global Fixed Income	24.5	49.2	52.2	3.0
Equities				
Domestic ²	40.2	80.7	80.4	-0.4
International	<u>22.6</u>	<u>45.3</u>	<u>40.2</u>	<u>-5.2</u>
Total Equities	62.8	126.1	120.5	-5.5
Total Real Estate	4.6	9.3	16.1	6.8
	<hr/>	<hr/>	<hr/>	<hr/>
Total Equities & Real Estate	67.4	135.3	136.6	1.3
	<hr/>	<hr/>	<hr/>	
Total Fund	<u>100.0 %</u>	<u>200.9</u>	<u>200.9</u>	

¹ New Policy: Strategic asset allocation targets effective January 1, 2005.

² Included is MDP Investment: LM Capital Investment: Total Market Value=**\$180.3M**.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

MONTHLY PROGRESS REPORT

ASSET ALLOCATION¹

As of December 31, 2005

(A)	(B)	(C)	(D)	(E)
<u>Asset Class</u>	<u>11/30/2005 Market Value (\$ Billion)</u>	<u>12/31/2005 Market Value (\$ Billion)</u>	<u>Difference (C-B) (\$ Billion)</u>	<u>Target (\$ Billion)</u>
Total Cash Equivalents	3.4	6.3	2.9	0.0
Total AIM: Direct/Partnership	10.0	10.1	0.1	12.1
Total Global Fixed Income	48.9	49.2	0.3	52.2
Equities				
Domestic ²	80.8	80.7	0.0	80.4
International	<u>46.4</u>	<u>45.3</u>	<u>-1.1</u>	<u>40.2</u>
Total Equities	127.2	126.1	-1.1	120.5
Total Real Estate	9.4	9.3	-0.1	16.1
	<hr/>	<hr/>	<hr/>	<hr/>
Total Equities & Real Estate	136.6	135.3	-1.2	136.6
	<hr/>	<hr/>	<hr/>	<hr/>
Total Fund	<u><u>198.8</u></u>	<u><u>200.9</u></u>	2.1	<u><u>200.9</u></u>

¹ Monthly progress report toward new policy targets.

² Included is MDP Investment: LM Capital Investment: Total Market Value=**\$180.3M**.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

BOOK VS MARKET VALUE

As of December 31, 2005

(A) <u>Asset Class</u>	(B) <u>Book</u> <u>Value</u> (\$ Billion)	(C) <u>Market</u> <u>Value</u> (\$ Billion)	(D) <u>Difference</u> <u>(C - B)</u> (\$ Billion)
Total Cash Equivalents	6.3	6.3	0.0
Total AIM: Direct/Partnership	12.1	10.1	-2.0
Total Global Fixed Income	48.7	49.2	0.4
Equities			
Domestic ¹	47.3	80.7	33.4
International	<u>35.9</u>	<u>45.3</u>	<u>9.5</u>
Total Equities	83.2	126.1	42.9
Total Real Estate	8.1	9.3	1.2
	<hr/>	<hr/>	<hr/>
Total Equities & Real Estate	91.2	135.3	44.1
	<hr/>	<hr/>	<hr/>
Total Fund	<u><u>158.3</u></u>	<u><u>200.9</u></u>	42.5

¹ Included is MDP Investment- LM Capital Investment: Total Book Value=~~\$182.6M~~, Total Market Value=~~\$180.3M~~.

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.

When summing net amounts on this report, there may be breakage.

GROSS PERFORMANCE VS EXPECTED RETURNS

One Year
January 1, 2005 to December 31, 2005

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Current Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return¹</u>	<u>Expected Standard Deviation</u>	<u>One Standard Deviation Range</u>
Total Cash Equivalents	3.1 %	3.4 %	5.2 %	1.1 %	4.1 - 6.3 %
Total AIM	5.0	23.3	13.5	30.0	-16.5 - 43.5
Total Global Fixed Income	24.5	2.8	6.1	8.0	-1.9 - 14.1
Equities					
Domestic	40.2	6.3	9.6	17.0	-7.4 - 26.6
International	22.6	20.2	9.1	19.5	-10.4 - 28.6
Total Equities	62.8	11.6			
Total Real Estate	4.6	50.8	8.5	14.0	-5.5 - 22.5
Total Fund	100.0	11.1	8.8	12.2	-3.4 - 21.0

¹ Asset Allocation Workshop, October 2004

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

NET PERFORMANCE VS EXPECTED RETURNS

One Year
January 1, 2005 to December 31, 2005

(A)	(B)	(C)	(D)	(E)	(F)
<u>Asset Class</u>	<u>Current Allocation</u>	<u>Asset Return</u>	<u>CalPERS Long-Term Expected Annual Return¹</u>	<u>Expected Standard Deviation</u>	<u>One Standard Deviation Range</u>
Total Cash Equivalents	3.1 %	3.4 %	5.2 %	1.1 %	4.1 - 6.3 %
Total AIM	5.0	23.3	13.5	30.0	-16.5 - 43.5
Total Global Fixed Income	24.5	2.8	6.1	8.0	-1.9 - 14.1
Equities					
Domestic	40.2	6.3	9.6	17.0	-7.4 - 26.6
International	<u>22.6</u>	<u>20.1</u>	9.1	19.5	-10.4 - 28.6
Total Equities	62.8	11.5			
Total Real Estate	4.6	39.3	8.5	14.0	-5.5 - 22.5
Total Fund	<u>100.0</u>	<u>10.6</u>	<u>8.8</u>	<u>12.2</u>	<u>-3.4 - 21.0</u>

¹ Asset Allocation Workshop, October 2004

* Figures for this report are rounded for viewing purposes. Calculations are based on actual values.
When summing net amounts on this report, there may be breakage.

GROSS RETURNS

One Year

January 1, 2005 to December 31, 2005

	(A)	(B)	(C)
<u>Asset Classes</u>	<u>Reported Gross Return</u>	<u>Expenses¹ (Percent)</u>	<u>Net Return (A-B)</u>
Total Cash Equivalents	3.44%	0.00%	3.44%
Total AIM	23.31%	0.00%	23.31%
Total Global Fixed Income	2.82%	0.02%	2.80%
Equities			
Domestic	6.29%	0.03%	6.26%
International	<u>20.17%</u>	<u>0.08%</u>	<u>20.09%</u>
Total Equities	11.57%	0.04%	11.53%
Total Real Estate	50.76%	11.42%	39.34%
	<hr/>	<hr/>	<hr/>
Total Fund	11.14%	0.54%	10.60%

¹ Does not include Real Estate Advisor Fees or External Equity and Fixed Income manager base fees which are already netted out of return. Does include AIM Partnership and Direct Component fees.

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
CIO REPORT
GROSS RATES OF RETURN
Period Ending December 31, 2005
Investment Committee Meeting February 2006

	MKT VAL (000'S)	One Month Dec 05	QTR Oct - Dec 05	FYTD 05-06	CYTD 2005	1 Year	3 Years	5 Years	10 Years
TOTAL PLAN									
SJ1CA1 TOTAL FUND	200,879,739	1.57	2.80	7.77	11.14	11.14	15.85	5.77	9.21
CALPERS POLICY INDEX		1.49	2.49	6.65	8.94	8.94	14.14	4.91	8.37
ACTUAL WEIGHTED TOTAL FUND INDEX		1.62	2.35	6.67	8.58	8.58	14.39	5.23	8.30
GLOBAL EQUITY									
DOMESTIC									
SH8CA1 TOT DOM EQ+IND HG+ENV EX VENT, HDG, CG	77,181,042	0.03	2.40	6.39	6.29	6.29	15.87	1.77	9.35
WILSHIRE 2500 EX TOBACCO (BLENDED)		-0.02	2.26	6.15	6.11	6.11	15.74	1.47	8.98
INTERNATIONAL - EXTERNAL									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	29,327,993	4.67	4.40	16.75	17.13	17.13	25.54	6.02	7.24
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	29,528,651	4.63	5.19	17.67	20.17	20.17	24.89	5.45	7.61
CALPERS FTSE A-W X US/SSGA BLEND		4.77	4.42	16.36	16.41	16.41	25.67	6.02	7.16
INTERNATIONAL - INTERNAL									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	13,312,582	4.50	3.86	15.04					
CALPERS FTSE DEV WORLD EX US & TOBACCO		4.51	3.87	14.91					
SWCG INTERNATIONAL EQUITY TRANSITION	12,656	2.76	-1.70						
HEDGE FUND INVESTMENTS									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	1,984,797	1.64	1.23	6.27	9.47	9.47	10.78		
TOTAL ARS PROGRAM BLENDED INDEX		0.80	2.06	3.78	7.41	7.41	11.09		
CORPORATE GOVERNANCE									
SWMKA1 CORPORATE GOVERNANCE	3,836,452	2.26	5.87	12.15	22.10	22.10	29.53	14.72	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		3.31	7.05	16.90	17.69	17.69	22.26	5.37	
MDP DOM FIXED INCOME-NVESTMENTS									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	180,276	0.82	0.34	-0.02	1.52	1.52	5.21		
CITIGROUP BROAD INVESTMENT GRADE		0.99	0.65	-0.04	2.57	2.57	3.75	5.93	6.19
GLOBAL FIXED INCOME									
DOMESTIC									
SJDKA1 TOTAL DOM FIXED	43,813,326	1.45	1.40	0.41	4.43	4.43	7.11	7.70	7.29
CALPERS CUSTOM LEH LPF		1.47	0.66	-0.65	3.68	3.68	5.14	7.18	6.88
INTERNATIONAL									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	5,377,352	1.37	-2.47	-3.47	-8.39	-8.39	7.28	7.55	5.08
CALPERS WORLD GOVT EX US		1.17	-2.39	-3.49	-8.85	-8.85	6.57	7.33	4.43
CASH EQUIVALENTS									
SJVKA1 TOTAL CASH	6,256,163	0.36	1.17	2.07	3.44	3.44	2.06	2.61	4.27
CALPERS CUSTOM STIF NET OF FEES		0.35	0.99	1.87	3.18	3.18	1.83	2.31	3.94
ALTERNATIVE INVESTMENTS									
SJAIM AIM COMPOSITE	10,102,907	-0.01	5.51	7.75	22.91	22.91	13.95	1.82	
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	9,996,106	0.07	5.71	7.84	23.31	23.31	13.91	2.00	12.52
PERS WILSHIRE 2500/CYFU BLEND		1.60	4.87	9.97	19.78	19.78	10.14	-1.01	7.64
SW2V AIM DISTRIBUTION STOCK	106,802	-7.22	-14.67	-7.39	-6.13	-6.13	17.65	-7.16	
REAL ESTATE									
SW3CA1 CORE REAL ESTATE	5,043,645	2.55	2.61	19.56	52.53	52.53	25.33	18.67	16.64
SW7KA1 TOTAL NON-CORE REAL ESTATE	4,219,533	5.73	5.88	14.07	39.10	39.10	27.80	17.44	16.16
NCREIF PROPERTY 1 QTR LAG INDEX		4.44	4.44	10.02	19.19	19.19	13.04	10.95	11.63

⁽¹⁾ SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank. Excludes MDP venture accounts in composites SW9C, SWDC.
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM
CIO REPORT
NET RATES OF RETURN
Period Ending December 31, 2005
Investment Committee Meeting February 2006

	MKT VAL (000'S)	One Month Dec 05	QTR Oct - Dec 05	FYTD 05-06	CYTD 2005	1 Year	3 Years	5 Years	10 Years
TOTAL PLAN									
SJ1CA1 TOTAL FUND	200,879,739	1.53	2.76	7.59	10.60	10.60	15.55	5.54	9.06
CALPERS POLICY INDEX		1.49	2.49	6.65	8.94	8.94	14.14	4.91	8.37
ACTUAL WEIGHTED TOTAL FUND INDEX		1.62	2.35	6.67	8.58	8.58	14.39	5.23	8.30
GLOBAL EQUITY									
DOMESTIC									
SH8CA1 TOT DOM EQ+IND HG+ENV EX VENT, HDG, CG	77,181,042	0.02	2.40	6.38	6.26	6.26	15.84	1.75	9.33
WILSHIRE 2500 EX TOBACCO (BLENDED)		-0.02	2.26	6.15	6.11	6.11	15.74	1.47	8.98
INTERNATIONAL - EXTERNAL									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	29,327,993	4.67	4.38	16.71	17.06	17.06	25.46	5.96	7.20
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	29,528,651	4.63	5.16	17.62	20.09	20.09	24.80	5.39	7.56
CALPERS FTSE A-W X US/SSGA BLEND		4.77	4.42	16.36	16.41	16.41	25.67	6.02	7.16
INTERNATIONAL - INTERNAL									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	13,312,582	4.50	3.86	15.04					
CALPERS FTSE DEV WORLD EX US & TOBACCO		4.51	3.87	14.91					
SWCG INTERNATIONAL EQUITY TRANSITION	12,656	2.76	-1.70						
HEDGE FUND INVESTMENTS									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	1,984,797	1.60	1.18	6.16	9.25	9.25	10.41		
TOTAL ARS PROGRAM BLENDED INDEX		0.80	2.06	3.78	7.41	7.41	11.09		
CORPORATE GOVERNANCE									
SWMKA1 CORPORATE GOVERNANCE	3,836,452	2.28	5.88	12.16	21.86	21.86	28.90	14.25	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		3.31	7.05	16.90	17.69	17.69	22.26	5.37	
MDP DOM FIXED INCOME-NVESTMENTS									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	180,276	0.82	0.30	-0.09	1.37	1.37	4.98		
CITIGROUP BROAD INVESTMENT GRADE		0.99	0.65	-0.04	2.57	2.57	3.75	5.93	6.19
GLOBAL FIXED INCOME									
DOMESTIC									
SJDKA1 TOTAL DOM FIXED	43,813,326	1.45	1.40	0.40	4.41	4.41	7.09	7.69	7.28
CALPERS CUSTOM LEH LPF		1.47	0.66	-0.65	3.68	3.68	5.14	7.18	6.88
INTERNATIONAL									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	5,377,352	1.36	-2.49	-3.51	-8.46	-8.46	7.19	7.47	5.00
CALPERS WORLD GOVT EX US		1.17	-2.39	-3.49	-8.85	-8.85	6.57	7.33	4.43
CASH EQUIVALENTS									
SJVKA1 TOTAL CASH	6,256,163	0.36	1.17	2.07	3.44	3.44	2.06	2.61	4.27
CALPERS CUSTOM STIF NET OF FEES		0.35	0.99	1.87	3.18	3.18	1.83	2.31	3.94
ALTERNATIVE INVESTMENTS									
SJAIM AIM COMPOSITE	10,102,907	-0.01	5.51	7.74	22.89	22.89	13.93	1.81	
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	9,996,106	0.07	5.71	7.84	23.31	23.31	13.91	2.00	12.52
PERS WILSHIRE 2500/CYFU BLEND		1.60	4.87	9.97	19.78	19.78	10.14	-1.01	7.64
SW2V AIM DISTRIBUTION STOCK	106,802	-7.22	-14.82	-8.20	-7.20	-7.20	16.56	-8.12	
REAL ESTATE									
SW3CA1 CORE REAL ESTATE	5,043,645	2.16	2.22	16.09	41.61	41.61	21.45	15.89	14.87
SW7KA1 TOTAL NON-CORE REAL ESTATE	4,219,533	4.45	4.59	11.33	27.54	27.54	21.95	13.27	13.35
NCREIF PROPERTY 1 QTR LAG INDEX		4.44	4.44	10.02	19.19	19.19	13.04	10.95	11.63

⁽¹⁾ SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank. Excludes MDP venture accounts in composites SW9C, SWDC.
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

CALPERS INVESTMENT IN CALIFORNIA as of December 31, 2005

(A)	(B)	(C)	(D)	(E)	(F)
				CA Investment as % of Asset Class (D/B)	
<u>Asset Class</u>	<u>Portfolio Value (\$ millions)</u>	<u>California (Commitment/ Investments)¹ (\$ millions)</u>	<u>California Investments (\$ millions)</u>	<u>%</u>	<u>Program Description or Assumption</u>
Real Estate - Mortgages					
AFL-CIO (HIT)	97.7	N/A	62.5	64	Union related mortgage fund
CA Community Mortgage Fund	35.1	35.1	35.1	100	Small commercial and multi-family residential mortgages to economically targeted areas
Commercial (Whole Loans/MBS)	592.7	739.2	739.2	N/A	Commercial whole loans, mortgage backed securities and Great Northern program.
Member Home Loan Program	1,437.6	N/A	N/A	N/A	Housing loans for PERS members (includes \$.89 mill of single family MBS)
Ullico	<u>17</u>	<u>17.0</u>	<u>17.0</u>	<u>100</u>	No new additional commitments will be issued as of 3/27/98. All commitments issued.
Subtotal	2,180.2	791.4	853.9	39 %	
Core Portfolio					
AFL-CIO (BIT)	131.5	N/A	23.1	18	Union related mortgage funds
CORE - Equity	5,162.0	2,381.1	2,381.1	46	CORE Equity programs
PREES- REITS	431.1	218.9	218.9	51	Public companies
Non-Core Portfolio					
Senior Housing	215.	64.5	64.5	30	\$200m program approved in 6/00 by Investment Committee, approximately 15-20% of which will be CA based. Program to acquire/develop senior housing facilities throughout the United States. Leverage up to 65% loan to portfolio value for company level distributions. 65% top be used on all acquisition/development going forward.
California Urban Real Estate- (CURE)					
Pacific City Homes	106.5	200.0	106.5	100	Approved 6/01, pending final contract execution, CityHome Partners will focus on developing affordable, for sale, single-family residential communities in urban infill locations throughout California.
Bridge	33.4	100.0	33.4	100	Approved 6/00 by Investment Committee, contract finalized 1/01. Program focusing on early phase capital for the development of affordable housing in urban California. Subsequent to 09/30/02, Bridge invested approximately 11.9 million in the CURE program.
Buchanan Urban Investors	137.1	350.0	137.1	100	Buchanan Urban Investors provides financing for multifamily, industrial, retail, office, mixed use, and storage facilities in urban
CalSmart	180.1	410.0	180.1	100	Program for a broad variety of urban infill development/redevelopment throughout California.
Capri Capital Partners	39.7	135.0	39.7	100	Approved in 06/01 by the Investment Committee. Capri's focus is promoting mezzanine debt for multi-family projects. Subsequent to 09/30/02, Capri invested approximately \$3.9 million in the CURE program.
CIM	210.3	405.0	210.3	100	Approved 6/00 by Investment Committee, contract executed 12/01/00. Program for urban development of street retail and mixed use development/redevelopment properties.
CUIP	332.3	750.0	332.3	100	Urban Infill Investments in California urban areas
Institutional Housing Partners IV	6.8	40.0	6.8	100	Approved in 6/01, IHP will focus on equity investments (development and redevelopment properties) for commercial and multi-family residential and mixed-use projects in infill locations throughout California.
Kennedy Office Development	17.9	150.0	17.9	100	Approved 6/00 by Investment Committee. Program for development/redevelopment of urban office, office r&d and industrial properties
Klein Financial Corporation JV	1.8	50.0	1.8	100	CURE-Affordable Multifamily Housing/ 60% Leverage
Legacy Partners	11.3	240.0	11.3	100	CURE-Affordable Multifamily Housing/ 60% Leverage
R Street Residential	20.3	N/A	20.3	100	
Housing					
Acquisition & Development	34.4	34.4	34.4	100	California land acquisition & development program
National Housing	1,541.1	447.9	447.9	29	Program updated as of 10/99. Single family housing/land development nationwide with emphasis on California.
Single Family Housing	64.9	64.9	64.9	100	California Single Family Housing program

CALPERS INVESTMENT IN CALIFORNIA as of December 31, 2005

(A)	(B)	(C)	(D)	(E)	(F)
		California		CA Investment	
	Portfolio	(Commitment/	California	as % of	
	Value	Investments) ¹	Investments	Asset Class	
				(D/B)	
Asset Class	(\$ millions)	(\$ millions)	(\$ millions)	%	Program Description or Assumption
Natural Resources					
Agricultural	120.7	92.1	69.1	57	Pacific Vineyard Partners will acquire and develop vineyards for high end wineries. The program will sell off the developed land to interested parties upon full maturity of the vineyards, approximately 7 years. Leverage max 35% loan to portfolio value.
Timber	123.3	N/A	N/A	N/A	Timber holdings in conjunction with advisory firms throughout the United States. Up to 40% approved at the discretion of SIO. Most likely will use 35% leverage on all acquisition/development. Up to 25% loan to portfolio value for company level debt, policy allows for up to 40%. Most likely will use 20-25% leverage going forward.
Opportunistic					
DIVCO West	9.9	175.0	1.9	N/A	Opportunity Fund FUND focused on buying distressed high-tech Silicon Valley properties for releasing and repositioning.
Other Opportunistic Real Estate	737.9	200.0	96.9	N/A	
International					
International Real Estate	491.4	N/A	N/A	N/A	International real estate.
Subtotal	10,160.5	6,508.8	4,500.1	44 %	Real estate commitment values
SW6KRE - CORE MV Adjustment	-361.1				
SW8KRE - SPECIALIZED MV Adjustment	-536.3				
Total Real Estate	11,443.5	7,300.1	5,353.9	47 %	
AIM: Partnership Component	10,102.9	1,900.0	1,600.0	16	Includes commitments through December 31, 2005
Domestic Equity	80,725.4	10,494.3	10,494.3	13	CA investment assumed to be 13% of total portfolio value
International Equity	45,342.1	0.0	0.0	0	
Total Equities	136,170.4	12,394.3	12,094.3	9 %	
Total Real Estate & Equities	147,613.9	19,694.4	17,448.2	12 %	Of total portfolio CA investments in real estate & equities: 8.7%
Cash Equivalents	6,256.1	0.0	0.0	0	On deposit at the Treasurer's Office: \$774.02
Domestic Fixed Income					
Corporate Bonds	18,918.2	432.4	432.4	2	Companies headquartered in CA
Mortgage Pass-Throughs/CMOs	14,263.3	2,410.9	2,410.9	17	CA investment assumed to be 10% GNMA; 20% FNMA; 20% FHLMC; 20% CMO.
External Managed	300.0	0.0	0.0	0	
Treasury Bonds	8,151.6	0.0	0.0	0	
Subtotal	41,633.1	2,843.3	2,843.3	7 %	
International Fixed Income	5,377.4	0.0	0.0	0	
Total Global Fixed Income	47,010.4	2,843.3	2,843.3	6 %	
TOTAL	200,880.4	22,537.7	20,291.5	10 %	Outstanding commitments (column E/column C): 11.2%

¹ Total actual investments at market value and outstanding program commitments in California